Covid-19: Ten Conservative MPs and peers referred companies to “VIP lane” that won £1.6bn of PPE contracts

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Ten Conservative MPs and peers referred companies through the government’s “VIP lane” for personal protective equipment (PPE) contracts, a leaked document has revealed.1

The document, first seen by the Politico website,2 details 47 companies referred to the government’s high priority list for contracts to supply PPE during the covid-19 pandemic. There were £1.6bn worth of contracts awarded as a result of referrals from Conservative politicians. No other political party successfully referred companies through this fast tracked route.

A report by the National Audit Office last year found that firms referred through the VIP lane had a 10 times greater success rate for securing contracts than companies whose bids were processed through normal channels.3

On 18 October the UK’s data privacy watchdog, the Information Commissioner’s Office, ordered the government to reveal the names of the companies placed in the VIP lane within 35 calendar days.4 5 The ruling came after a complaint from the non-profit campaign group the Good Law Project that the Department of Health and Social Care for England had failed to comply with a request to disclose the names of the companies that received favourable treatment during the government’s procurement of PPE.

Michael Gove referred Meller Designs, the firm of Conservative donor David Meller, to the VIP lane. The company was awarded six PPE contracts worth £16.4m. When the contracts were awarded Gove was minister at the Cabinet Office which is responsible for government procurement, and in charge of the office of the chancellor of the duchy of Lancaster. Meller donated money both to the Conservative party and to support Gove’s party leadership bid in 2016.

“Engulfed in corruption”

Angela Raynor, Labour’s deputy leader and shadow chancellor of the duchy of Lancaster, said, “It shows just how engulfed in corruption this government is that the minister in charge of procurement and ensuring that contracts are awarded to the best bidder and represent value for money for the taxpayer was helping his own donor to get VIP fast track access to contracts.”

According to the document, Lord Agnew, a Cabinet Office minister, referred three companies to the government’s high priority list. These include Worldlink Resources, a company advised by former MP Brooks Newmark that landed a £258m deal. He also referred Uniserve, which was awarded £204m in PPE contracts alongside its existing £572m contract to handle PPE logistics. It was revealed recently that the government has paid Uniserve £124m for “storage costs” of unused PPE.6

Lord Feldman, a health department adviser at the time, referred three companies through the fast lane including SG Recruitment which landed £50m in PPE contracts. The Conservative Peer Lord Chadlington sits on the board of its parent company, Sumner Group Holdings Limited.

The then health secretary Matt Hancock referred four firms subsequently awarded PPE contracts—Excalibur Healthcare, JD.COM, Monarch Acoustics, and Nine United. The conservative backbench MPs Julian Lewis, Andrew Percy, Steve Brine, and Esther McVey and the conservative peer Lord Deighton referred one supplier each according to the document.

Another Conservative Peer, Baroness Mone is stated to have referred the company PPE Medpro, which won two contracts worth £200m just weeks after it was set up. The company was founded by a former business associate of Mone but she has previously denied any involvement in the process by which contracts were awarded.

Dominic Cummings, the former government adviser, is named as the referrer of Global United Trading which won a £350k PPE contract,

Jo Maugham, director of the Good Law Project, said, “We can at last see, in relation to the £12.5bn spent on PPE, the vast financial rewards you could reap if you had a minister looking out for your interests. There was no good reason—but there were obvious bad reasons—for the government to keep the public in the dark about these links.”

He added, “We now need some transparency about the equivalent VIP lane for test and trace contracts, on which £37bn of public money was spent. Now is the time for the fourth estate to show its mettle and get stuck in, investigating any transactions that have hallmarks of out-and-out corruption.”

The government maintains that offers of support through the high priority list were subject to the same rigorous checks and robust assurance processes as all other procurement routes and ministers did not and do not have any role in awarding contracts. A government spokesperson told The BMJ, “At the height of the pandemic there was a desperate need for PPE to protect health and social care staff and the government rightly took swift and decisive action to secure it. Ministers were not involved in awarding contracts.”

On 18 November the Good Law Project said that the full list of people who referred companies to the VIP lane ran to 50 names, rather than the 47 leaked to
Politico. Among the new additions was current transport secretary Grant Shapps, who referred the firm EyeSpace Eyewear for fast track treatment. The firm landed a £1.4m deal to provide goggles.

On 18 November we added the final paragraph.

Correction: On 11 October 2022 we corrected the spelling of David Mellor (not Mellor).

1 Good Law Project. The companies who benefited from the “VIP Lane” for PPE contracts. https://goodlawproject.org/47-companies.

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